the time being. Since a two-thirds vote—67 Senators, if all Senators are present—is necessary to approve a constitutional amendment, the proposed Senate amendment failed by one vote. There will be another vote either this year or in 1996.

Here is today's bad debt boxscore:

As of the close of business Tuesday, September 5, the Federal debt—down to the penny—stood at exactly $4,968,612,934,278.22 or $18,860.94 for every man, woman, and child on a per capita basis.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FAMILY SELF-SUFFICIENCY ACT

The PRESIDING OFFICER. The clerk will report the pending business.

The bill clerk read as follows:

A bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

The Senate resumed consideration of the bill.

Pending:

(1) Dole further modified amendment No. 2280, of a perfecting nature.

(2) Daschle amendment No. 2282 (to amendment No. 2280), in the nature of a substitute.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I rise to correct a statement which I made on the floor in the course of our previous 2 days of debate, the beginning of debate, on this legislation. I rise to not only correct my statement but to offer an apology to the Senate if I have misled anyone, which I certainly did not intend, nor did anyone.

On that occasion, I offered a chart, as you see here, indicating the proportion of children who received aid to families with dependent children in 1992.

This data was prepared for us at the Department of Health and Human Services, Mr. Wendell Primus is responsible there, and mistakes were made. He found those mistakes and called them to our attention.

In the meantime, the Washington Times had written a very fine editorial pointing to this data, saying, ''My God, if there is ever evidence this system is failing, it will be found in these tables.'' These bar charts are easily translated into tables. Then we had to inform the Washington Times that the numbers were scrambled. At one point, it was no more than a simple typing error in a computer printout.

But we now have the correct numbers, and I would like to introduce them to the Senate at this time, as against the data I presented on August 8. The new figures are the corrected numbers for 1993.

The data are the estimated proportion of children receiving AFDC, that is aid to families with dependent children, title IV of the Social Security Act, in 1993, which is our last count. As you can see, Mr. President, if you were to recall the numbers originally, the city of Los Angeles was recorded as having almost two-thirds of its children on welfare at one point or over the course of a year. That involved a mistake between the city and the county, not something I am sure happens frequently. Los Angeles drops to a point where I can almost say, Mr. President, that in 1993 only 38 percent of the children in Los Angeles were on AFDC at some point or other in the year.

Think what it means to say ''only'' 38 percent, which is to say quite literally, by Federal regulation—and my friend, the distinguished chairman, will be talking about some of those regulations. I see he has some stacked on his desk. I am reminded, those are historic desks. If they were to collapse under the load of Federal regulation, the historical society would have something to say about that.

But the idea under AFDC regulations, there are not too many requirements of the AFDC Program. One is a limit on assets, and the limit on assets is $1,000; $1,000 for households, which is to say these are households that are paupers and have to stay paupers as a condition of staying alive. If you said only 38 percent of the children in our city were paupers during the course of the year, 20 years ago the public would say, ''What?''

In Detroit, it is 67 percent. Those figures were adjusted. We found that Los Angeles went down. New York went up; 39 percent of all children at one point of the year. New York is our largest city with about 7.5 million persons. We have at any given time rather more than a million persons on welfare, which is AFDC plus home relief, numbers not known in the depths of the Great Depression. During the Great Depression, in 1937, when you probably had about as much as 30 percent unemployment, there were half a million persons receiving home relief in New York City. Today, in the aftermath of 50 years of economic growth, we look up and there are more than a million. And 39 percent of our children are on AFDC at one point or another in the course of the year.

In Philadelphia, it is 57 percent. In San Diego, it is 30 percent. The San Diego figures and the Los Angeles figures are close in that range. Texas has, generally speaking, a low rate—San Antonio, 20 percent, and Houston, 22 percent. There is a certain uniformity there. The city of Phoenix, AZ, has as prosperous an appearance as any city on Earth. It grows, I have been told, by a square mile a day. The southern Arizona project brings in water. Barry Goldwater provides a welcome and people cannot wait to move out there. There are green lawns where I think there should not be green lawns. That is desert. But that is another matter. In Phoenix, 18 percent of the children are paupers at one point during the year.

These numbers can be elaborated. To what exact purpose, I would be hesitant to say. But we do know that Senator DASCHLE's legislation, as well as Senator DOLE's and Senator PACKWOOD's, does address this question of putting children on supplemental security income as a mode of welfare benefits.

If you combine AFDC with SSI in 1993, you get yet higher rates. You get 67 percent for Detroit. You see that it goes from 54 percent AFDC when you add SSI. It is a large number. I think it is the case that the number of children receiving SSI has grown by about 400 percent in the last decade. This is not because there are 400 percent more children disabled. We have had administrative interpretations of statutes which increase the number of children in this category. Philadelphia gets 59 percent; San Diego, 30 percent; Los Angeles, 38 percent; Baltimore, 56 percent; New York, 40 percent. And so it goes.

These are horrendous numbers, and they ask for—they demand—some level of interpretation. The Washington Times, in a perfectly fair-minded editorial—to my mind, a fair-minded editorial—had commented on these numbers that are overstated in the case of Los Angeles and understated in the case of New York. It had this in its editorial, ''Welfare Shock.''

I ask unanimous consent, Mr. President, that this be printed in the RECORD at this point, without the table.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Sept. 1, 1995]

WELFARE SHOCK

Having spent the better part of the past four decades analyzing the statistical fallout of the welfare and illegitimacy crises enveloping our great cities, Sen. Daniel Patrick Moynihan never has needed hyperbole to describe the dreadful consequences of failed social policies. Perhaps that is because the New York Democrat possesses the uncanny ability to develop or cite pithy statistics that shock even the most jaded welfare analyst, case-worker, senatorial colleague or reporter.

Several weeks ago, Sen. Moynihan, appearing on one of the ubiquitous Sunday morning interview shows, shocked his questioners (and, undoubtedly, his television audience) by revealing that nearly two-thirds of the children residing in Los Angeles, the nation's second largest city, lived in families relying on the basic welfare program, Aid to Families with Dependent Children (AFDC). To illustrate that Los Angeles was not unique, he observed that nearly four of every five (!) Detroit children received AFDC benefits.

The accompanying chart details the extent to which residents in the 10 largest U.S. cities have become dependent on AFDC—and the government. After about three decades of fighting the War on Poverty, during which time more than $5.4 trillion (in constant 1993 dollars) has been expended, perhaps no single statistic offers more proof of the war's unmitigated failure than the fact that federal and state governments provide the financial support of 38 percent of all children living in the country's 10 largest cities.

How does one begin to address such a horrendous problem? for all the talk among Democrats, particularly President Clinton, about the need for increased spending for education to help underwrite welfare reform, it's worth recalling that real (inflation-adjusted) spending for elementary and secondary education has dramatically escalated since the federal government declared war on poverty. Indeed, some of the highest per pupil expenditures occur in the largest cities. Unfortunately, as spending increased, test scores plummeted.

In a more serious tone, Mr. Moynihan approvingly cited the 1966 report on the Equality of Educational Opportunity (the Coleman Report), which "determined that after a point there is precious little association between school resources and school achievement. The resources that matter are those the student brings to the school, including community traditions that value education. Or don't."

Sen. Moynihan has offered his own welfare-reform plan, which, unlike any Republican plan in the House and Senate, would retain AFDC's entitlement status without placing any time restrictions on recipients. Despite the underwhelming success of federal job-training and job-placement programs, his plan places great emphasis on more of the same. Attacking the Republicans' proposals to cancel welfare's entitlement status and enforce time restrictions, Sen. Moynihan frets that "we don't know enough" to design programs that attempt to influence the behavior of poor people.

Take another look at the figures in the chart provided by the senator. They represent a small fraction of the statistical indictment against the failed welfare policies of the liberal welfare state. Tinkering around the edges of such failure without seeking to change the behavior that three decades of the War on Poverty have produced, will surely not solve any of the many social problems that accompany dependency on the scale depicted in the chart. That much we do know.

Mr. MOYNIHAN. Mr. President, the point of the editorial is, good God, what happened to our children? Can the present system be as bad as the data depict? If so, let us be rid of that system directly. I wrote to them informing them that we had new data, and it was not significantly different. Well, in the case of Los Angeles, it was; that should be made clear. Otherwise, it was in this range. I wrote a letter in which I simply made the point that—well, first of all, I submitted the correct new data, which took a slightly different view from the editorial. It was a very different view from the editorial in the Washington Times.

I ask unanimous consent that my letter and the subsequent editorial with the corrected data be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Sept. 5, 1995]

THE AFDC NUMBERS: BAD ENOUGH, BUT NOT THAT BAD

Regarding the Sept. 1 editorial "Welfare shock," The Washington Times is entirely correct in stating that the information on AFDC caseloads I presented in the August welfare debate in the Senate was mistaken. We received the data from the Department of Health and Human Services on Aug. 4. I found the numbers hard to believe—that bad?—and called the deputy assistant secretary responsible to ask if he would check. He did and called back to confirm.

On Aug. 23, however, with the Senate in recess, Mr. Wendell E. Primus, the deputy assistant secretary who provided the data, wrote to say that there had indeed been a miscalculation. It was a perfectly honest mistake, honorably acknowledged and corrected. I will place his letter in the Congressional Record today.

The new numbers are sufficiently horrendous. The proportion of the child population on AFDC or Supplemental Security income in the course of a year in Los Angeles is 38 percent. In New York, 40 percent. In Chicago, 49 percent. In Philadelphia, 59 percent. In Detroit, 67 percent. My contention is that things have gotten so out of hand that cities and states cannot possibly handle the problem on their own. Thirty years ago, certainly. No longer. Mr. Hugh Price of the National Urban League suggests that we will see a reenactment of deinstitutionalization of the mental patients which led so directly to the problem of the homeless. I was in the Oval Office on Oct. 23, 1963 when President Kennedy signed that bill, his last public bill signing ceremony. He gave me the pen. I have had it framed and keep it on my wall. Premium non nocere.

DANIEL PATRICK MOYNIHAN,
U.S. Senator,
Washington.

[From the Washington Times, Sept. 5, 1995]

CHARTING THE STATE OF WELFARE

Even by the appalling standards and results of U.S. welfare policy, the chart that appeared in this space last Friday exaggerated the depths of the situation that prevails in some of this nation's largest cities.

Last month Sen. Daniel Patrick Moynihan, New York Democrat, appeared on the floor of the Senate citing statistics showing that nearly two out of three children in Los Angeles and nearly four out of five children in Detroit lived in households receiving the government's basic welfare grant, Aid to Families with Dependent Children (AFDC). At the request of The Washington Times' editorial page, Sen. Moynihan's office faxed a copy of a chart listing the 10 largest U.S. cities and the percentage of each city's children relying on AFDC, which was developed by the U.S. Department of Health and Human Services (HHS). Regrettably, the information was incorrect.

Nearby is a chart with updated, expanded, and presumably correct, information that HHS subsequently sent to Sen. Moynihan's office, which then forwarded it to the editorial page. The revised chart offers both a snapshot of welfare dependency of children in our largest cities (at a "point in time") and a more expansive statistic incorporating all children whose families relied on AFDC during any portion of an entire year. Clearly, neither classification places Los Angeles or Detroit in nearly as dreadful a position as conveyed by HHS's initial, incorrect tallies. It should also be noted, however, that the earlier chart understated the problem of pervasive welfare dependency in other cities: New York and Philadelphia, for example. The revised chart offers no solace to anybody intersted in the future of our great cities and the children who live in them.

ESTIMATED RATES OF AFDC CASELOADS

[In major cities (Feb. 1993)]

State	Percentage of children on AFDC at a point in time	Percentage of children on AFDC within a year
New York	30	39
Los Angeles	29	38
Chicago	36	46
Detroit	50	67
Philadelphia	44	57
San Diego	23	30
Houston	18	22
Phoenix	15	18
San Antonio	14	21
Dallas	16	20

Source: Department of Health and Human Services.

It's been 30 years since the federal government initiated its so-called War on Poverty. During that time more than $5 trillion was expended fighting it. What has been accomplished? As the Senate reconsiders the various welfare-reform proposals during the next few weeks, let us keep in mind that anything less than revolutionary in scope is likely to have little long-term impact on these depressing statistics and the numerous pathologies and deviancies that derive from them.

Mr. MOYNIHAN. Mr. President, here is the point I made, and some will not agree—probably most will not agree. Yet, I have been at this long enough to recognize this. The Times takes the view that any system which has produced this result is so bad it must be profoundly changed, dismantled, and done away with. Indeed, the legislation before us on this side of the aisle—the majority leader's legislation—would in fact put an end to this system. It abolishes title 4(a) of the Social Security Act of 1935. It makes a block grant which is sent down to the States, based on their present Federal benefit, and leaves it that the States are free to do what they will. I will not get into it at this moment.

But the States are not free to do what they will, anyway. No State has to have a welfare program. No, you do not have to have a welfare program. You do not have to provide more than—you can provide $1 a month per child or $1,000 a month per child. The idea that there are big Federal regulations is mistaken. It is not that the Federal Government has not sought to do a lot of regulating, but the statutes are relatively spare. With a waiver, you can do virtually anything you want. And to say it is your job, now that this system has failed, to take it over, what that does is disengage the Federal Government.

No child is entitled to welfare benefits. The State can provide that a child receives benefits, or it can do otherwise. But under the Social Security Act, if a State provides welfare benefits, the Federal Government provides a matching grant. It will match 50 percent, up to about 79 percent, at this point. It used to be as high as 82 percent in the Southern States.

My point is that 30 years ago, when we first picked up the onset of this extraordinary demographic social change, you could have made the case: Let the States do it; let the cities do it. You could have made that case. You cannot make it today, in my view. This is too much. This is beyond the capacity of State governments and city governments. They will be overwhelmed, and soon we will be wondering, what did we do?

Mr. Hugh Price, the relatively new, recently appointed, director of the National Urban League, made an important comment on the ''Charlie Rose Show''—not a pronouncement, just a comment. He said if we do what is proposed and put time limits—the President, at Georgetown University in 1991, when he began his Presidential campaign, put out a 2-year time limit—he said that we will have an effect similar to the deinstitutionalization of our mental institutions that began in the 1950's and culminated in Federal legislation in 1963.

I am going to take a moment, if I can, just to talk about that, because I think Mr. Price hit upon a brilliant analogy—the appearance on our streets of homeless persons sleeping in doorways, sleeping in bus stations. You do not have to do more than walk down Constitution Avenue from the Capitol, not four blocks from here, and you will find, in the dead of winter, people sleeping on grates. It has happened everywhere. It has happened, I dare to say, in Portland, OR. I say to my friend, the chairman of our committee, that Portland, OR, will not appear on this list. It is a very interesting story, and it is a very powerful cautionary tale.

I was present at the creation, 1955, in the spring, in the State capitol in Albany, N.Y. Averell Harriman was being introduced to the person who was to be nominated as the commissioner of mental hygiene, a wonderful doctor named Paul Hoch. He had been head of the New York Psychiatric Institute, a great research analyst. He had been chosen by the late Jonathan Bingham, then secretary to the Governor, later Member of the House of Representatives.

As has happened before in history, the Governor was playing a role in a little drama that had been preconceived. Present also was the director of the budget, Paul H. Appleby, the eminent public servant of the New Deal era, deputy director of the budget under President Truman. Also present, notetaker, if you will, was the Senator from New York. I was an assistant to Mr. Bingham.

The Governor greeted Dr. Hoch and said how pleased he was to learn that he was willing to come and do this job, and Jonathan Bingham has recommended him most particularly, as indeed Jack Bingham had done.

The Governor asked how were things going in that field. Doctor Hoch said, well, down at Rockland State Hospital, which is in Rockland County in the lower Hudson Valley, Dr. Nathan Kline had been working with a chemical substance that had been derived from the root rauwolfia serpentina, used in medicine for 5 millennium. It calmed people down in the Hindus Valley. German organic chemists had succeeded in reproducing it, and it was used on patients in Rockland State, and it had real effects. It was our first tranquilizer. It would come to be known as reserpine. The doctor said he thought it should be used systemwide.

At that time in the 1950's, mental health was one of our most visible public issues. Every State legislature proposed every year, appropriated another bond issue to build another hospital. We projected the time when half the population of New York State would be in a mental institution and the other half would be working in a mental institution—97,000 persons.

Today, Mr. President, there are about 6,000. We wanted them out, but we did not care for them after they left.

I came to Washington in 1961 in the administration of President Kennedy, who was much interested in this subject. A report of a joint commission established by the Congress was waiting for us. In effect, it said, go with medication and deinstitutionalization.

The last public bill signing ceremony that John F. Kennedy conducted was on October 23, 1963. He signed the Community Mental Health Center Construction Act of 1963. He gave me a pen. I was present. I had worked on the legislation, having had something in the background from Albany. We were going to build 2,000 community mental health centers by the year 1980, and one per 100,000 population, as the population grew.

We wanted our mental institutions, but we did not build the community centers. We built about 400, the program got folded into another program, shifted around, and pretty soon people were thinking about something else and it quite disappeared from our minds.

Then the problem of homelessness appeared. With the unfailing capacity for getting things wrong in my city of New York, an advocacy group grew up saying we have a problem here of a lack of affordable housing. That is not what it was at all.

Schizophrenia—we knew in the 1960's there would be a constant incidence of that particular disorder in large populations. We did not have quite the genetic information we have now. I do not speak beyond my knowledge, but the statistical data was sufficient to say this is something that happens in Patagonia, it happens in Alaska, it happens in Bucharest, it happens in Los Angeles, all at about the same rate. There it is. A puzzle, a great public failure.

My friend from Oregon will remember that during the brief interlude in which I was chairman of the Committee on Finance, the last New Yorker was in 1849, and it may be another century and a half until the next New Yorker was, but there were 2 years, not necessarily a shining moment, but there it was. We were dealing with health care matters, as the chairman will not soon forget. I had two things on our wall. One was a small portrait of Alexander Hamilton, the first Secretary of the Treasury, that great New Yorker. The other was the pen certificate which had the pen that President Kennedy gave me on that day in October 1963, when we signed the Communities Mental Health Center Construction Act of 1963.

As I just said, ''Be very careful what you do.'' To cite Hippocrates, primum non nocere. It is my contention, Mr. President, it would be my argument, I cannot demonstrate, I can simply make the case with numbers this large, proportions this large, we dare not disconnect the Federal Government from this problem of our children.

The connection we made in 1935 when our resources were vastly fewer than they are today, they will be overwhelmed. In a very little while as the time limits comes into effect, I estimate a 5-year time might put half a million children on the streets of New York City in 10 years' time, and we will wonder where they came from. We will say, ''Why are these children sleeping on grates? Why are they being picked up in the morning frozen? Why are they scrambling? Why are they horrible to each other, a menace to all, most importantly to themselves?''

Well, this is what will have happened, in my view. I can say that 30 years and more of association with this subject makes me feel it would happen.

Mr. President, once again, with apologies to the Senate for having provided somewhat misleading data on August 8, without intention, it was received from the Department of Health and Human Services without any purpose to mislead, and was corrected by the Department. Having placed the incorrect data in the RECORD, I ask that the correct table be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROPORTION OF CHILDREN RECEIVING AFDC (1993)

City	Percent at point in time	Percent within a year
Chicago	36	46
Dallas	16	20
Detroit	50	67
Houston	18	22
Los Angeles	29	38
New York	30	39
Philadelphia	44	57
Phoenix	15	18
San Antonio	14	21
San Diego	23	30

Source: Department of Health and Human Services, August 23, 1995.

Mr. MOYNIHAN. With great thanks for the courtesy and attention of the Chair, I yield the floor. I see my distinguished friend has risen, and I am happy to turn to him.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I never cease to learn from my good friend from New York. In the quarter of a century I have been in this Senate, there have been a number of memorable Senators, none that I have learned more from than PAT MOYNIHAN. I count him as a friend, a teacher, a mentor.

It is interesting how we sometimes take the same facts, however, and reach different conclusions. I went to law school at New York University in the center of Manhattan in the mid-1950's. And much as I love New York and Manhattan and find it an exciting borough, when I finished law school I had no desire to stay there. I went back to Oregon and started to practice law and kept my home and roots there ever since.

But I remember public housing in the mid-1950's in New York. The Federal Government dictated what public housing would be, and we knew best. Our philosophy was that, if people had a decent roof over their heads, all else would flow and follow. Education would follow, crime would disappear; so long as you had a decent shower and a bed. So we built, not 5- and 10-story public housing projects, 20- and 25-story public housing projects. And we clustered them together; not one building, but three or four, with concrete parks, barely any grass for the kids to play, and thousands and thousands of roughly similarly economically situated poor people clustered together.

What we ended up with were 20- and 25-story slums, crime-ridden, drug-infested slums. It did not work. I do not mean this as critical of the thinkers of the mid-1950's. That was the best thought in the fifties.

Now the Federal Government thinks the best thought is what we call scatter buildings. We are not going to put up 25-story buildings; we are going to put 60 units in Queens and 30 units in Westchester County and some more in Staten Island. We are going to scatter them about. It may be a better decision. It may not be. I am not sure. Yet it is another example of where the Federal Government now says the philosophy of 40 years ago was wrong and this philosophy is right.

I offer this only to say there is no guarantee that any public policy you adopt will work out exactly as you hope it will work out. It does not mean that you are malevolent in your thoughts or deliberately ordaining that it would not work out. It is just things you thought would happen do not. How often I heard my friend from New York talk about the law of unintended consequences.

So, with that background, I want to go back into the history of welfare in the United States, starting in 1935; what we hoped would happen, what has happened. I think we can say this. If our hope of welfare was to get people off of welfare, if welfare was to be a trampoline so that you could spring back useful to society, it has not worked. It has become not a trampoline, but a hammock. And that I think we can say with assuredness.

I am not sure we had any witness that appeared before the Finance Committee as we were having hearings on welfare reform that defended the present system as working. Some wanted to simply jettison the entire thing. Some wanted to tinker with it but keep it a Federal system. Others wanted to devolve more power and authority to the States. But nobody defended it as it was. So how did we get to where we are?

Go back to 1935. My good friend from New York talked about the 1935 Social Security Act. It was passed in 1935. And Social Security, the act, had two parts to it. One was the pension that we are well familiar with. The other was a welfare component for widows and orphans. How often has the Senator from New York referred to it colloquially, but correctly, as a pension for the miner's young widow and the miner's young child.

Both provisions, in essence, covered the same people but for different purposes. In the mid-1930's if you are the breadwinner—it is basically men that are working—if you lived to 65, you took care of your wife, and probably by that time your minor children had grown up. If you died at age 45 however, and you were the breadwinner, there was no survivors' benefits in the original Social Security Act. Suddenly the widow and the child are thrown out onto the street. So the welfare provision of the 1935 Act was designed to take care of the widow and the orphan child. And it was presumed, I think, that if the widow got married again, she would no longer need any public support, and if she did not get married, she at least got this income while the child was a minor and she was a widow. And almost all welfare at this time—1935 onward for a fair number of years—was for widows and orphans.

Then in 1939, we amended the Social Security Act to include survivors. The breadwinner dies at 45. It was still usually a man in those days. He has a 40-year-old widow and three children, ages 16, 12, and 9. There were survivors' benefits under Social Security. If you were a widow with children, you got 75 percent of what the person who died would have gotten had that person reached Social Security age, and you got 75 percent for each child, though it was capped. You did not get 75 percent for every child if you had 15 children.

After World War II, we rather rapidly expanded the coverage of Social Security. My hunch is the biggest single group may have come in in 1953 or 1954 under President Eisenhower, when we brought in an immense number of people: Agriculture——

Mr. MOYNIHAN. Self employed.

Mr. PACKWOOD. Self employed. We brought in an awful lot of people.

Mr. MOYNIHAN. State and local.

Mr. PACKWOOD. State and local. We brought them in and, by 1960, most people were covered by Social Security and that included survivors. So if the breadwinner died, the widow and the orphan were taken care of. Therefore, welfare—I am not talking about Social Security survivors insurance, I am talking about welfare as we knew it in the 1930's; when the breadwinner dies there is no Social Security survivors' benefits—welfare as we knew it began to disappear because Social Security benefits, survivors' benefits, were usually more generous than welfare would be, and survivors' benefits supplanted what welfare had initially been for widows and orphans.

From about 1950 onward, maybe a little earlier again—the Senator from New York would know more specifically than I would—aid to dependent children, as we now call it aid to families with dependent children, AFDC, started tilting toward support for unwed mothers and children who had never had a breadwinner in the house. It was no longer the concept of the widow and the orphan. There never was a breadwinner. And, instead of emergency financial support for a widow who was suddenly deprived of her breadwinner, AFDC, aid to families with dependent children, gradually and then overwhelmingly became a lifetime support system for many people. And in many cases it became a generation after generation support system.

Today, only 1 to 2 percent of welfare is because of the death of a breadwinner. That is how much it has changed from what it was originally intended.

Now, from 1935 onward, but especially from 1960 onward, as we have seen this movement toward welfare being for unwed mothers, people who never had breadwinners, the Federal Government has tinkered and tried and toyed to make this system work. If the woman dropped out of high school in the middle of her junior year and had a baby and did not go back, to try to educate her, to try to help her get a job—and we have attached more baubles and geegaws to the Federal welfare system in efforts to make it work than the mind can comprehend.

But it has not worked. If it was meant to stem the rise of illegitimacy, it has not worked. If it was meant to get people back to work, it has not worked. If it was meant to somehow break the generational cycles, it has not worked.

Has it failed because we did not spend enough money? Let us go back and take a look over the years of what we have spent. I am going to use the year 1947 as a base for this reason. What we spent in the 1930's was minuscule. During World War II, we did not spend anything for all practical purposes. But during the war, from 1944 to 1945, believe it or not—we talk about the defense budget now—the defense budget was 40 percent of our gross domestic product and 90 percent of our total budget. We did not do anything else. We were a war machine. We were borrowing to do it. And we were willing to spend that much on defense because we thought it was necessary for the preservation of Western civilization. I am inclined to think that was a correct decision.

So when I hear people say we cannot afford to spend for our defense, just as an aside, a great nation can afford to spend. We are now spending 4 or 5 percent over gross national product on defense. We can argue, can we afford 4 or 5 percent? Yes, we can. But it did mean in those years we were not spending money for anything else of any consequence except on the war. And the first real budget year, fiscal year, after the war was 1947; 1946 was midway through when the war was still going on.

I am going to use the term ''constant dollars'' rather than ''current dollars'' because current dollars can be illusory. I will define the difference.

A current dollar is $1 today. I spend $100 on a Federal program. Let us say you have 100 percent inflation. Next year we spend $200 on the Federal program. You have not spent any more money. You have 100 percent inflation. The person that gets it has not gotten anything more to spend. That is why we have COLA's on Social Security. That is called current dollars.

To put it in comparison, in current 1947 dollars we spent $2 billion on what the Social Security Administration basically called welfare. This is 10 or 12 programs. In 1947 we were spending $2 billion. In 1991 we were spending $180 billion. Even if you put it in terms of constant dollars—because current dollars does not take into account inflation—the figures are still dramatic. If you assume that the value of the dollar today was the same as the value in 1947, and there has been no inflation in that period of roughly 45 years, then in 1947, in today's dollars, we were spending $10 billion on all of these programs. Today, we spend $180 billion. On AFDC alone, in 1947 we were spending in constant dollars $697 million, today we are spending $18 billion, about a 2500-percent increase.

You want to take a last figure. These programs in the Social Security Administration count as programs for the poor. In 1947, they were 0.7 of 1 percent of our gross domestic product. Today, they are slightly in excess of 3 percent. So they have grown dramatically.

Welfare has not failed because we did not spend money. We have spent more money by any measure.

Has it failed because of inadequate regulations? The 1935 bill when it passed was 2½ pages long. This is the section relating to welfare, 2½ pages.

There were no regulations initially. The bill really had six requirements of the States as follows:

First, the program had to be in effect in all political subdivisions throughout the State. That is an easy enough requirement.

Second, there had to be some financial participation by the State. That is easy enough to figure.

Third, it had to be administered by a single State agency. That is easy enough to figure.

Fourth, there had to be an opportunity for a fair hearing for somebody if they had been denied benefits. That is not too difficult to figure.

Fifth, although this one becomes a little more ephemeral, the State had to provide such methods of administration as would be necessary for an efficient operation of the plan.

As I say, I am not quite sure what that means exactly, but I will show you what it means in just a moment.

Then lastly, the State had to file reports that would assure the correctness and verification of basically what they were intending. That was relatively simple.

From that has grown what we have in welfare today.

The Senator from New York referred to this stack on this desk which I shall attempt to lift. These, Mr. President, are the regulations that an Oregon caseworker must be familiar with in order to determine just two things: No. 1, the eligibility of a recipient for welfare; No. 2, how much shall that recipient get. That is what you have to go through in order to determine just whether you are eligible. How much do you get?

Follow me to this chart back here. Here is the eligibility process.

You come into the welfare office. ''Hi, I am Johnny Jones. I would like to apply for welfare.'' Initial application. All right.

The caseworkers says, ''Give me your proof of identity, age, citizenship. I want your driver's license, Social Security card for each person, birth certificate for each person, alien registration, or arrival and departure record, or any other identification from any other agencies or organizations.''

This assumes a person coming in for welfare actually has these things or knows how to put their hands on it. Assuming you have proved your identity, we now go to proof of relationship and child in the home. Signed and dated statement from friend or relative naming each child and residence, birth certificate or other documents stating parent's name.

Assume you have that. Then we go over to proof of residence and shelter costs.

''Give us your electric bill, paid or unpaid; give us your gas or fuel bills, paid or unpaid; rental or lease agreement; rent receipt; landlord statement; landlord deed to property; proof of housing subsidies.''

No wonder this stack is getting thicker and thicker as you go through giving us all of this information. Now we come down to proof of family after you have gone through all of this.

Death certificate for deceased parent; divorce papers or separation papers showing date, if separated; a statement from a friend, neighbor, or relative proving marriage certificates; if in prison, date of imprisonment, length of service; if pregnant, a medical statement with expected delivery date; if disabled, name of doctor, name of hospital and a doctor's statement.

This is just starting to prove eligibility.

Does anyone here have any income? No. You have no income.

I want you to think about proving a negative.

''No, I do not have any income.''

''Let me see your bank account and savings account.''

''I do not have a bank or savings book. I do not have any bank account.''

Well, you have to prove you do not have a bank account. Current checking account statements and real estate documents.

I want you to picture Johnny Jones coming in asking for welfare.

''Where are your real estate statements?''

''I don't have any.''

''What do you mean, you do not have any? Can you prove it?''

''No. I don't have any.''

''Prove you don't have any.''

''I do not have any.''

Payment books or receipts for all mortgages and land sales.

Do you know how much land Johnny sells? He is not really involved in big time in real estate sales.

List of all stocks and bonds and current market value; title of all motor vehicles and bill of sale; bank payments or agreement; documents showing life insurance and estate or trust funds.

Name me welfare recipients who have trust funds. If they have trust funds, they are not welfare recipients and they will not be in this office at the first stage.

Insurance policies? They might have insurance policies.

Now, if you have done all that, you make an eligibility decision. However, this is if you have no income. But if you have income, now we come down here.

Proof of income.

Uncashed worker's compensation or other benefit check; latest Social Security or VA benefit award letter; court order stating amount of support or alimony; notice of unemployment benefits, record of payments received, or uncashed check; records of income from self-employment, farm income or business income, tax records, profit and loss statements, or income producing contracts; wage stubs or employer's statement of gross wages for the last 30 days.

You have to prove all that. But interestingly, what counts as income and what does not count as income?

Count adoption assistance if not for special needs. That counts as income.

Do not count as income adoption assistance for a child's special needs.

Now, you are poor Johnny Jones getting these questions, trying to figure it out. You count as income payments under the Agent Orange Act of 1991. You do not count as income benefits from the Agent Orange Settlement Fund if it is given by Aetna Life. I do not know why it is limited to Aetna Life.

Well, Mr. President, I am not going to go on with the rest of this. This is what welfare has become. It is no wonder that caseworkers are frustrated beyond belief. The caseworkers I have met are perfectly decent people who would like to help the poor.

Now I will give you a quote from the former executive director of the Oregon Progress Board.

''Almost all of the Oregon Option undertakings''—Oregon Options is the welfare plan that we have gotten authorization to try—''require the use of federal funds and, in many cases, the waiver of federal rules and restrictions on how the money is used.'' As Wyse said,

> We need the federal government as a partner. But federal programs that provide money tend to be severely prescriptive and riddled with red tape that stifles innovation. In the biggest area of federal aid—welfare—at least 20 percent [20 percent] of our administrative time and money costs have been spent on federal paperwork.

My classic example, however, does not deal with welfare per se. It is Harley, Harley, the Vietnamese potbellied, drug-sniffing pig. This pig can smell drugs like dogs do, so the Portland police bureau applied to the DEA, the Drug Enforcement Administration, for Federal funds that they allocate for drug-sniffing dogs. The DEA, Drug Enforcement Administration, said no, it only applies to dogs. It does not apply to pigs. To which the Portland police bureau said: ''This pig can smell better than a dog, and it is cheaper than a dog.''

Now, I have to give Vice President GORE credit. He worked this out by declaring Harley an honorary dog. That solved our problem. There is Harley, the honorary dog, right there. That is the frustration of dealing with the Federal Government. Did the DEA mean to be obtuse and mean? Of course not. Of course not. It is just that big things of necessity have to be pigeonholed. It is not true just of Government. It is true of big institutions. It becomes more and more difficult, the bigger you get, to deal with individuality. You have to fit the pigeonhole whether you are a university with 25,000 students or General Motors. It is one of the reasons why small and often family-held companies are able to do much better and compete against giants that are 100 times their size but immobile.

About 20 years ago, maybe 25 years ago now, there was a story in one of the nationwide business publications on who sets the price of plywood in the United States. Weyerhaeuser is a big producer. Georgia Pacific is a big producer. But the article concluded that it was set by Ken Ford of what was then called the Roseburg Lumber Co. That is now Roseburg Forest Products. It was a family-owned company and still privately held, as I recall. They have about 3,000 employees in an area of about 15,000 to 20,000. It is the dominant employer.

The article said as Mr. Ford's plywood is moving across the country on the railcars, he can call Chicago and say, ''Cut it 50 cents a board foot,'' and it is cut. And Weyerhaeuser and Georgia Pacific immediately follow suit. But they cannot take the lead because it is a corporate board decision of some kind. They do not have anybody in the organization that can say to cut it 50 cents a foot.

So Mr. Ford sets the prices for plywood. He is still alive and the company is still going. And he is still a dominant force in his business.

You see it in the electronics business today. How many companies are there? Have you ever seen that wonderful list of companies? There are over 20,000 or 25,000 companies that did not exist in 1968, either just did not exist or were just getting founded in the 1960's, electronics or otherwise.

You look at just one facet of communications, personal communications, the little hand-held phones you use. In 1982, when AT&T and the Federal Government agreed to a consent decree breaking up AT&T and creating what we now call the regional Bells—seven—it was a very inclusive agreement. The Justice Department and AT&T tried to think of everything they could to include. Do you know the one thing they left out? Personal portable telephones. There was no future in that. There were 18,000 in the country. There are 25 million now. By the end of the century—there might be 125 million in 10 years. We will have as many of those as we have telephones.

It is not AT&T, MCI, and Sprint that are dominating that business. Those are long-distance carriers. But the companies that have moved into this business were small, sharp, quick companies that can compete with Bell Atlantic, compete with AT&T. And they move rapidly. They find a niche. They are good at it. They are small.

So when we get to this bill, it is an interesting difference in philosophy, on average—I am generalizing here—on average, between Republicans and Democrats to this extent. On average, Democrats in the provision of social services have a mistrust of it being done by private enterprise, whether that be a profitmaking private enterprise or not. I want to emphasize, I am generalizing. They have less mistrust if it is done by Catholic Charities or Goodwill, but they feel more comfortable if the Government is doing it. Republicans are a little more inclined to say let us let the private sector do it or let us give some grants or help with the private sector, but let them take the lead.

The second difference is that if it must be done by Government, there is still a general feeling among most Democrats that it should be done or at least directed by the Federal Government. Republicans feel pretty much the converse, that it should be done and directed by State or local government.

I am delighted we are debating this bill outside of what we call reconciliation. Reconciliation is going to be this big-budget bill that will come to us in 2 months—6 weeks, I would say. It is going to have everything in it—Medicare, Medicaid, earned-income tax credit, and tax cuts—and it is limited under our rules to 20 hours of debate, 10 hours on a side. Welfare, if put in that bill, would get half an hour's debate. Medicare, I will bet, gets 8 hours of 10 in the debate, and this subject deserves more debate than that because it is an honest difference of opinion. I emphasize ''honest difference of opinion.''

The Republicans want to do what we call break the Federal entitlement. We are saying we will give to the States as much money as they are getting now—but not as much as they would otherwise get if we did not change the law. And in exchange, we will say to the States, we are going to remove most of the strings that have been hampering you for the past if not 50 years, certainly 30 years. We are going to give you certain outlines and guidelines, and you cannot use this money for airport tarmacs. You have to use it for the poor. But you decide, New York, whether your problems are different than South Dakota's. You decide, Oregon, whether your problems are different from Ohio's and attempt to shape your welfare program with the limited amount of money we give you to what you think your needs are.

Mr. President, they are different. If you are Florida or Texas or New Mexico or Arizona and have an immense immigrant population and, in any case, a Hispanic-speaking population—New York has it—virtually you have a problem just of language for many young people. That same problem, but to a much lesser degree, exists in Oregon. My guess would be, I do not know, that it exists not at all in South Dakota. I am taking a guess there is not an immense Hispanic-speaking immigrant population in South Dakota.

So right away, the problems are different.

(Mr. ASHCROFT assumed the chair.)

Mr. MOYNIHAN. Will my friend yield for a question?

Mr. PACKWOOD. I will.

Mr. MOYNIHAN. Because he is making an important point. Does he recall the occasion on which the Committee on Finance—of course he recalls—held a retreat in Maryland, and the Senator from North Dakota learned about the proposal to deny welfare benefits to mothers of children who themselves were under 18. He returned to his State and checked that out to see just how much of a problem it was in North Dakota. Mr. President, you would be interested to know that there are four such families, two of whom had just arrived from West Virginia.

Mr. PACKWOOD. There is a slight difference in the problems. When the

Dole bill passes, and I hope it will—I think the amendment of the Democratic majority leader will fail—I hope we go forward with this not in a spirit of, ''Well, the Republicans have won'' and cheer.

I want to close with what I said at the start. There is no guarantee that if we pass this bill, as the Republicans are talking about, there is no guarantee we will solve the problem. There is a guarantee that if we continue as we have been going, we will not solve the problem. We have not solved the problem and there is no hope we will solve the problem continuing on the line of Federal regulation and control as we have gone.

My guess is that many States will experiment with this and will find their experiments fail. Many others will experiment with it in a different fashion and find they succeed. And then some of the successes will be taken to other States and found it does not work in that State yet does work in other States. The States are going to become labs over the next 5 years and, by and large, most of them are going to hit upon what will work in their State with the limited amount of money that we give them, and they will be much quicker to jettison programs that do not work than we are.

The last thing we have put in this bill—and I see the Senator from Missouri is in the chair and it was his suggestion—we have put in this bill, to the extent that it is constitutional, that it is permissible for this money to be given to religious organizations to carry out social welfare purposes.

There is nothing wrong with that. Just because Catholic Charities is Catholic should not mean that it is incapable of administering to the poor. Just because the Salvation Army may have a cross on the wall does not mean that it cannot run a good sheltered workshop. It will run a better sheltered workshop than anything the Government might run.

As I say, we cannot by law make something constitutional that is unconstitutional. I know the fear and the argument: Not only are they going to minister to the needs of the poor, they are going to try to proselytize them, make them Catholics or make them whatever.

Mr. President, I think that risk is worth it. I think the risk is worth it. If a person goes to a Salvation Army sheltered workshop or a meals program run by a charity that happens to have a menorah in the hallway, I am not sure that is going to be so offensive to what we are trying to achieve that it should be prohibited. I will leave it to the courts—and there will be suits—to decide whether or not it is constitutional.

I will say this to my good friend from New York, he and I now almost 20 years ago, not quite, introduced bills to allow tuition tax credits. In the interim, Wisconsin has tried it and now I see the courts have declared it partially unconstitutional. But it is working. These inner-city kids are getting a good education. We simply wanted to say to the parents—by and large, it liberates the poor. It does not liberate the rich. They are going to private schools anyway and they are going to parochial schools. It was a modest credit.

We say a parent can put their child in a religious school and they can deduct part of their cost off of their income tax. For 18 years he and I have tried to get that. We have been unsuccessful so far.

Every now and then, he will send me a clipping when another inner-city Catholic school has closed or perhaps the whole diocese has closed, I do not know, and say, ''They didn't listen to us, they didn't listen to us.''

It was touching when we had hearings on this to have some of the poorest women come and testify. These were single mothers working for the Federal Government, often in relatively modest positions, making in those days, the late seventies, $15,000, $16,000 a year, putting their children in private school, paying for it themselves, religious schools, not even of their religion because they wanted an alternative to public school.

This bill is going to try to permit all of that, not because we want to intrude religion on people, but because we do not want to preclude religion having the opportunity to serve people.

Mr. President, over the next 4 or 5 days, we will debate the philosophy of this bill. I suppose we will debate lots of itsy-bitsy details. But the philosophy is infinitely more important than itsy-bitsy details.

This bill, if adopted, is a watershed, is a turning point from the concept that the Federal Government is be all and know all. I hope we are daring enough to take the step. I do not promise it will work, but I do promise that with what we are trying now, we will continue to fail.

I thank the Chair and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Since there are no other Senators seeking recognition on welfare reform, was leader's time reserved?

The PRESIDING OFFICER. Yes, it was.

SALUTE TO SENATOR PELL

Mr. DOLE. Mr. President, nearly 35 years ago, the voters of Rhode Island decided to send CLAIBORNE PELL to the U.S. Senate. And in the years that followed, they have made the same decision in five separate elections.

Yesterday, Senator PELL announced that this term will be his final one in the Senate.

While there are still 16 months left in Senator PELL's term, I did want to take a minute to pay tribute to this dedicated public servant.

As all of my colleagues know, Senator PELL has devoted his years in the Senate to many issues of great importance: To foreign relations, where he has served as chairman and ranking member of the Senate Foreign Relations Committee; to bettering the environment; and, of course, to education, where Pell grants to college students have become a household word. I listened to the Senator from New York comment on that yesterday.

Mr. President, the State motto of Rhode Island is just one word—the word ''Hope.''

And from serving in the Coast Guard during World War II, to representing our country in the Foreign Service for 7 years, to serving here in the Senate for three and a half decades, CLAIBORNE PELL has never given up hope on America.

I join with all Senators in wishing Senator PELL all the best as he writes the final chapters in a very distinguished Senate career.

TRIBUTE TO CAL RIPKEN

Mr. DOLE. Mr. President, my mother had a phrase she used to repeat. ''Can't never could do anything,'' she told us. I have tried to live by those words throughout my life, and I want to pay tribute today to someone else who doesn't know how to say ''can't.''

For over half a century, baseball experts have said that one record that could never be broken was the great Lou Gehrig's record of playing in 2,130 consecutive games.

As all baseball fans know, that record was tied last night, and will be broken tonight by Baltimore Orioles shortstop Cal Ripken, Jr.

In every game played by the Orioles since May 30, 1982, Cal Ripken has taken the field and done his job with dedication and with excellence.

No doubt about it, as a baseball player, Cal Ripken is a superstar. But more importantly, he is also a superstar as a human being, a husband, a father, and a role model.

Make no mistake about it, like most professional athletes, Cal Ripken is very well paid. But you cannot watch him play without thinking that he would still be out there, trying as hard as he can, if he was not paid at all.

And Cal's commitment to baseball does not end on the field. As a goodwill ambassador for a game that desperately needs one, he freely gives his time to countless charities, and throughout this season, Cal has stayed in the stadium for hours after games, signing autographs for every fan who wanted one.

I know that all Members of the Senate join with me in tipping our hats to